



RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

July 21, 2016

Philip Dellinger, Chief
Ground Water/UIC Section
U. S. Environmental Protection Agency
1445 Ross Avenue
Dallas, Texas 75202

Re: Environmental Protection Agency Region 6,
Draft FY2015 End-of-Year Underground Injection Control Evaluation Report

Dear Mr. Dellinger:

We appreciate the opportunity to review a draft of the referenced report. There are several sections in the report on which we would like to comment.

Chart 2 in Section 3.1, relating to Permitting, should indicate that the number of permit applications received, issued, and denied/withdrawn include applications to amend existing permits.

Section 3.3, relating to Class II Injection Well Inspections, Mechanical Integrity Testing, and Enforcement, states that "[A] large percentage, greater than 80 percent, of Class II wells are tested for mechanical integrity by a pressure test of the casing/tubing annulus." Greater than 95 percent of injection well permits require pressure testing to determine mechanical integrity.

Section 4.1 of the draft report, relating to Seismic Activity Correlated with Class II Disposal Injection, immediately after a discussion of "earthquake events in and near the city of Irving in Dallas County," includes a statement that "RRC has publicly stated that available scientific data do not support a correlation between recorded earthquakes and Class II waste disposal." This statement should be stricken because it is taken out of context and is, therefore, false and misleading. The Commission takes the issue of induced seismicity very seriously and has in place some of the most stringent rules on disposal wells. The Commission's actions demonstrate a clear recognition of the potential correlation between injection and seismic activity. Such actions include the Commission's hiring of a seismologist and adoption of amendments to its Class II disposal well regulations, effective November 17, 2014 (39 Texas Register 8988, November 14, 2014). These rules include new requirements for applications for wells proposed to be located within a 100 square mile radius of an historic seismic event or in an area where conditions, such as complex geology, proximity of the injection interval to the basement rock, and/or transmissive faults, exist that may increase the risk that fluids will not be confined to the injection interval. The amendments also clarify the Commission's authority to modify, suspend or terminate an existing permit if injection authorized by the permit is suspected of or shown to be causing seismic activity.

Since these new rules went into effect, the Railroad Commission has received 56 disposal well applications in areas of historic seismicity. Of these, 28 permits have been issued with special conditions, such as requirements to reduce maximum daily injection volumes and pressure and/or to record volumes and pressures daily as opposed to monthly. Eleven applications were returned or withdrawn. Three applications were protested and sent to hearing. Ten permits were issued without special conditions, and four applications are pending.

Section 4.1 of the draft report includes a recommendation that the Commission closely monitor “injection activity through daily recording and reporting of accurate injection pressures and volumes from area disposal wells, coupled with appropriate data analysis methods, in a coordinated effort to detect possible correspondence with seismic activity.” The Commission will continue to monitor seismic activity in Texas, and will require daily recording of accurate pressures and volumes for appropriate wells. Monitoring will be greatly assisted by the TexNet Seismic Monitoring Program (TexNet) administered through the University of Texas at Austin’s Bureau of Economic Geology (BEG). TexNet will enhance the ability of the State of Texas to gather information about subsurface seismic activity by placing seismometers throughout the state and analyzing data resulting from any future seismic events. TexNet will include 22 permanent seismometers in key locations, augmenting the 16 existing seismometers currently in place in Texas. Another 36 portable seismometers will be staged across the state, ready to rapidly deploy to investigate key future earthquake activity. TexNet will allow more accurate location of critically stressed faults and provide valuable information regarding relative risk of seismic activity in those specific areas, enabling the Commission to better address those potential risks.

Again, we appreciate the opportunity to review the draft report and look forward to future discussions.

Sincerely,



David Hill, P.E., P.G.
Manager for Injection-Storage
Permits and Support

Cc: Kim Corley, Executive Director
Railroad Commission of Texas

Lori Wrotenbery, Director
Oil and Gas Division

Leslie Savage, Assistant Director for Technical Permitting
Oil and Gas Division